

PSC No: 120 - Electricity
New York State Electric and Gas Corporation
Initial Effective Date: March 1, 2006

Leaf No. 236
Revision: 3
Superseding Revision: 1

SERVICE CLASSIFICATION NO. 7 (Continued)

SPECIAL PROVISIONS: (Cont'd.)

- (d) Economic Incentives (Cont'd)
- (4) Economic Development Power: (Cont'd)

Non-NYPA Billing Demand:

The portion of the customer's metered peak demand Corporation ("Non-NYPA Peak") to be billed at regular Service Classification No. 7 rates shall be calculated by subtracting the above determined NYPA generated portion of the customer's peak demand from the customer's actual metered peak demand.

Calculation of Billing Energy:

NYPA Billing of Energy:

The portion of the customer's monthly metered on-peak and off-peak energy to be billed at the Economic Development Power rates of this Special Provision shall be the product of the customer's metered energy times the above determined Billing ratio (or Adjusted Billing Ratio).

Non-NYPA Billing of Energy

The portion of the customer's metered on-peak and off-peak energy to be billed at regular Service Classification No. 7 rates shall equal metered energy minus the portion identified above as billed at Economic Development rates.

Other Billing Adjustments:

Increase in Rates applicable in Municipality where serve is supplied shall be applied to the total billing amount.

- (5) Incubator Development Incentive ("IDI"):

As provided in Section 13 of the General Information section of this Schedule, this provision is no longer available to additional customers on or after January 1, 2007.

Customers who qualify under the Incubator Development Incentive (IDI) in Section 13 of the General Information section of this Schedule prior to July 1, 2003 shall take service under the applicable NYSEG Fixed Price Option (FPO) rate, as specified in this Service Classification and Section 12, Customer Advantage Program, of this Schedule, for the qualified incented load.

Such customers will have their service bills reduced by an incentive rate of \$.025 per kilowatt-hour for all qualified kilowatt hours thereunder.

Customers who qualify under the Incubator Development Incentive (IDI) in Section 13 of the General Information section of this Schedule on or after July 1, 2003 may select the applicable NYSEG Fixed Price Option (FPO) or the ESCO Option with Supply Adjustment (EOSA) for the qualified incented load.

Such customers will have their service bills reduced by an incentive rate of \$.0124 per kilowatt-hour for all qualified kilowatt-hours used thereunder.

Under the EOSA, the market-based backout will not include the Additional Component as described in this Service Classification and General Information Section 16.D., General Retail Access, of this Schedule.

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